

REMARKS

Claims 1-18 are pending in this application. By this Amendment, claims 1-7 and 10-18 are amended. The claims are amended only to correct minor errors in formatting and do not revise the claims in any substantive manner which would require further search and/or consideration. Nor are they made in reply to the Office Action. Thus, no new matter is added.

Entry of the amendments is proper under 37 CFR §1.116 since the amendments: (a) do not raise any new issue requiring further search and/or consideration; and (b) place the application in better form for appeal, should an appeal be necessary. Entry of the amendments is thus respectfully requested.

I. Claim Rejections Under 35 U.S.C. §103

Claims 1-18 are rejected under 35 U.S.C. §103(a) as unpatentable over U.S. Patent No. 5,745,102 to Bloch et al. (Bloch) in view of U.S. Patent No. 6,118,426 to Albert et al. (Albert). The rejection is respectfully traversed.

The Office Action alleges that Bloch teaches each and every feature recited in independent claims 1, 9, 10 and 18, "except for a bistable display device". In an attempt to overcome the admitted deficiency, the Office Action combines Albert and alleges that it would have been obvious to a person of ordinary skill in the art at the time of the invention to substitute Bloch's display label with the display disclosed in Albert.

Applicants submit that it is improper to combine references where the references teach away from their combination (see MPEP §2145 citing *In re: Grasselli*, 713 F.2d, 731, 743, 218 USPQ 769, 779 (Fed. Cir. 1983).

Bloch discloses a liquid crystal display 110 residing directly on the housing 118 of a floppy disk 120 (col. 3, lines 50-56). The LCD is a conventional liquid crystal display element and includes a base 310 and a transparent cover 312 with the liquid crystal material

314 filling the space between. Very thin electrodes 316 are deposited on a transparent material such as tin oxide 318 on the inner surface of both the base 310 and the cover 312 (col. 5, lines 30-39 and Figs. 3A and 3B).

In contrast, Albert teaches directly away from the use of such liquid crystal displays. For example, Albert discusses problems with liquid crystal alignment in TN and STN displays. Albert also discloses emissive electroluminescent films and organic light emitting diode films can be deposited on flexible substrates to create flexible displays. Albert points out that such devices require continuous power consumption for operation and thus are not practical in many applications. Albert goes on to discuss additional problems with indium tin oxide layers deposited on plastic substrates for use as displays (see generally, col. 1, lines 57 - col. 2, line 16 of Albert). Thus, Albert teaches away from the use of LCDs as taught by Bloch. Accordingly there is no motivation or suggestion to make the combination as proposed in the outstanding Office Action.

Even were such a combination made, the resulting combination does not render claims 1-18 obvious. For example, the Office Action alleges that Bloch teaches every feature recited in the independent claims, but for the bistable display which the Office Action contends is taught in Albert.

Bloch teaches a liquid crystal display device 110, a disk terminal strip 112, a memory 114 and a battery 116 residing directly on the housing 118 of a floppy disk 120 (col. 3, lines 50-56). In an alternate embodiment, Bloch discloses that the various elements including the memory 114 and battery 116 could also reside internal to the storage device housing and that only the display means 110 and possibly the data interface (disk terminal stripe 112) would be external to the data storage device (col. 4, lines 23-33). In another embodiment, Bloch discloses that the display mechanism, i.e., the LCD, could be mounted on a clip-like device or on an adhesive fax device (col. 11, lines 43-50).

In contrast, rejected claim 1 recites a bistable display device usable as the label, the label including, an energy source . . . , an embedded optical data link for bidirectional communication with a recording/play device, and a microcontroller that receives the operating signal generated by the energy source and a signal from the optical data link and provides a control signal to the bistable display device so that an image is generated on the label of the recording media, wherein the label is automatically updated by the recording/play device. In other words, the rejected claims recite a label having these features. In contrast, Bloch discloses the alleged corresponding features incorporated directly on or in a housing of a floppy disk. Thus, Block does not contemplate a label as recited in the claims.

Albert discloses a printable display comprising an encapsulated electrophoretic display medium, (col. 2, lines 24-25), and a process for creating an electrically addressable display including providing a substrate and printing an electrically active ink comprising at least one micro-capsule dispersed in a binder onto a first area of a receiving substrate (col. 4, lines 26-31). Albert also discloses a number of embodiments for the use of such a display and that the display may include the use of bichromal microspheres or liquid crystals (col. 12, line 16-41). However, Albert does not disclose or suggest an addressable display usable as a label for recording media, the label including an embedded optical link for bidirectional communication with a recording/play device and a microcontroller that receives the operating signal generated by the energy source, as recited in the rejected claims.

For example, Fig. 2 of Albert shows a block diagram of an indicator 10 which includes an electronically addressable display 12 comprising the display 1 that is shown in Fig. 1. The display 12, a transducer 14, and a printed battery, are disposed on substrate 16. The transducer 14 is capable of generating an electrical event to trigger a change in the state of the display. Thus, Albert does not show a label as recited in the rejected claims. Although Albert discloses the use of encapsulated twisting ball displays as the display media 24 (see

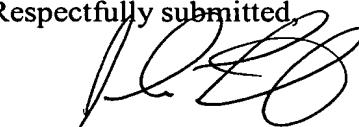
Fig. 3, col. 9, lines 5-7), Albert does not disclose or suggest a label including an energy source that generates an operating signal, an embedded optical link for bidirectional communication with a recording/play device and an microcontroller that receives the operating signal generated by the energy source and a signal from optical data link and provides a control signal to the bistable display device so that an image is generated on the label of the recording device, wherein the label is automatically updated by the recording device. As Albert does not overcome the deficiencies of Bloch discussed above, Applicant submits that the combination of references does not disclose or suggest each and every feature recited in the rejected claims. For example, Bloch discloses a battery, LCDs, a memory and a terminal strip as part of the housing of a floppy disk or disposed within the floppy disk and Albert discloses a display transducer and battery disposed on a substrate. Thus, neither of the applied references, whether considered alone or in combination, disclose or suggest the label as recited in the rejected claims.

II. Conclusion

In view of the foregoing, it is respectfully submitted that this application is in condition for allowance. Favorable reconsideration and prompt allowance of claims 1-7 and 10-18 are earnestly solicited.

Should the Examiner believe that anything further would be desirable in order to place this application in even better condition for allowance, the Examiner is invited to contact the undersigned at the telephone number set forth below.

Respectfully submitted,



James A. Oliff
Registration No. 27,075

John W. Fitzpatrick
Registration No. 41,018

JAO:JWF/ldg

Date: August 27, 2004

OLIFF & BERRIDGE, PLC
P.O. Box 19928
Alexandria, Virginia 22320
Telephone: (703) 836-6400

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